

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

UNITED STATES OF AMERICA,
Plaintiff

v.

RICHARD PALMA
Defendants

Criminal No- 10- 313 (ADC)

SEALED

Title 18 United States Code § 2320 and 2;
Title 18 United States Code § 1956
Title 18 United States Code § 982
Criminal Forfeiture

INDICTMENT

THE GRAND JURY CHARGES

COUNT ONE

Aiding and Abetting in Trafficking Counterfeit Goods

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RECEIVED AND FILED
U.S. DISTRICT COURT
SAN JUAN, P.R.
[Handwritten signature]

Beginning in or about the year 2005, until the date of this indictment, in the District of Puerto Rico, New York, China, and elsewhere within the jurisdiction of this Court,

RICHARD PALMA

the defendant herein, aiding and abetting others, know and unknown to the Grand Jury, not indicted herein, did intentionally traffic, and attempt to traffic, in one or more of the following: labels, patches, stickers, wrappers, badges, emblems of any type or nature, knowing that counterfeit marks have been applied thereto, the use of which counterfeit marks is likely to cause confusion , to cause mistake or to deceive, spurious marks identical with and substantially indistinguishable from Cartier®, Breitling®, Bvlgari®, Ferrari®, Hublot®, Omega®, Gucci®, Rado®, Rolex® genuine marks, that were in use and registered on the principal register of the United States Patent and Trademark Office for those goods, in violation of Title 18, United States Code Section, 2320(a) and 2.

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COUNT TWO
Money Laundering
Title 18 United States Code § 1956 (a)(2)(A) and (h)

From on or about January 19, 2006 to in or about Decembe, 2009, in the District of Puerto Rico, New York, China, and elsewhere within the jurisdiction of this Court,

RICHARD PALMA

the defendant herein, did confederate with each other and with other persons both known and unknown to the Grand Jury, did transmit and attempt to transmit monetary instruments, funds, that is wire transfers in U.S. Currency, from a place in the United States, that is Puerto Rico, and New York, to a place outside the United States, that is, Hong Kong, with the intent to promote the carrying on of specified unlawful activity, that is, traffic and attempt to traffic counterfeit merchandise in violation of Title 18, United States Code Section, 2320(a)

OBJECT OF THE CONSPIRACY

It was the object of the conspiracy to generate financial gain through the illegal sale of counterfeit merchandise, as defined in Title 18 United States Code Section 2320(a).

It was also the object of the charged conspiracy to promote and intend to promote the carrying on of specified unlawful activity, that is , the conspiracy to traffic and attempt to traffic counterfeit merchandise in violation of Title 18, United States Code Section, 2320(a), by conducting financial transactions with proceeds of the illegal sale of counterfeit merchandise to promote such illegal activity, for financial gain and profit.

MANNER AND MEANS USED IN FURTHERANCE OF THE CONSPIRACY

The manner and means used to accomplish the objects of the conspiracy included, among others, the following:

1. It was part of the manner and means of the charged conspiracy that defendant and

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their known and unknown co-conspirators would purchase counterfeit watches, knowing that counterfeit marks had been applied thereto, which counterfeit marks are spurious marks identical with and substantially indistinguishable from Cartier®, Breitling®, Bvlgari®, Ferrari®, Hublot®, Omega®, Gucci®, Rado®, Rolex®, genuine marks that were in use and registered on the principal register of the United States Patent and Trademark Office for those goods.

2. It was further part of the conspiracy that the defendant and his co-conspirators would coordinate the transmitting of large amounts of illegal proceeds collected from the illegal sale of counterfeit merchandise using wire transfers through accounts averred in United States banks to banks located in China.

OVERT ACTS IN FURTHERANCE OF THE CONSPIRACY

COUNTS TWO THROUGH THIRTY TWO

Counts Two through Thirty Two of this Indictment are re-alleged and incorporated herein by reference as if fully set forth here in as overt acts of this Conspiracy to Launder Money, in violation of Title 18, United States Code, 1956 (h).

The following wire transfers were transmitted in furtherance of the conspiracy from an account in the United States to an account outside the United States, that is, Hong Kong,

Count	Date	Amount/USD dollars	Entry #	Originator BPPR 050-253557	Beneficiary Hang Seng Bank
3	10/20/06	\$41,720.00	99786	Originator BPPR050-253557	Tse Fong Hung 0243291054231
4	02/16/07	\$50, 000.00	99909	Originator BPPR050-253557	Tse Fong Hung 276537750882
5	10/11/07	\$25, 000.00	99798	Originator BPPR050-253557	Tse Fong Hung 276537750882

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6	11/10/07	\$60,000.00	99742	Originator BPPR050-253557	Tse Fong Hung 276537750882
7	01/13/06	\$50,000	99797	Originator BPPR050-253557	Tse Fong Hung / 276537750882
8	02/07/06	\$100,000	99903	Originator BPPR050-253557	Tse Fong Hung / 276537750882
9	02/21/06	\$60,000	99859	Originator BPPR050-253557	Tse Fong Hung / 276537750882
10	03/24/06	\$30,000	99820	Originator BPPR050-253557	Tse Fong Hung / 276537750882
11	04/03/06	\$20,000	99864	Originator BPPR050-253557	Tse Fong Hung / 276537750882
12	05/03/06	\$65,000	99873	Originator BPPR050-253557	Tse Fong Hung / 276537750882
13	05/24/06	\$60,000	99740	Originator BPPR050-253557	Tse Fong Hung / 276537750882
14	06/01/06	\$25,000	99902	Originator BPPR050-253557	Tse Fong Hung / 276537750882
15	06/29/06	\$50,000	99925	Originator BPPR050-253557	Tse Fong Hung / 276537750882
16	07/31/06	\$15,400	99874	Originator BPPR050-253557	Tse Fong Hung / 276537750882
17	08/09/06	\$50,000	99810	Originator BPPR050-253557	Tse Fong Hung / 276537750882
18	08/31/06	\$67,638	99945	Originator BPPR050-253557	Tse Fong Hung / 276537750882
19	09/01/06	\$35,811	99651	Originator BPPR050-253557	Tse Fong Hung / 276537750882
20	09/19/06	\$20,600	99824	Originator BPPR050-253557	Tse Fong Hung / 276537750882
21	10/02/06	\$40,000	99837	Originator BPPR050-253557	Tse Fong Hung / 276537750882
22	10/31/06	\$70,000	99899	Originator BPPR050-253557	Tse Fong Hung / 276537750882

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23	05/08/07	\$11,914	99889	Originator BPPR050-253557	Tse Fong Hung / 276537750882
24	06/14/07	\$21,170	99872	Originator BPPR050-253557	Tse Fong Hung / 276537750882
25	07/23/07	\$40,000	99957	Originator BPPR050-253557	Tse Fong Hung / 276537750882
26	08/31/07	\$30,000	99920	Originator BPPR050-253557	Tse Fong Hung / 276537750882
27	11/06/07	\$25,000	99717	Originator BPPR050-253557	Tse Fong Hung / 276537750882
28	05/15/08	\$40,000	99961	Originator BPPR050-253557	Tse Fong Hung / 276537750882
29	06/12/08	\$29,972	99958	Originator BPPR050-253557	Kai Shing Watch Limited / 33682048594
30	06/23/08	\$33,822	99738	Originator BPPR050-253557	Sushmaa International Inc. / 8031251423
31	07/03/08	\$10,002	99710	Originator BPPR050-253557	Tse Fong Hung / 276537750882
32	09/30/08	\$17,000	99661	Originator BPPR050-253557	Tse Fong Hung / 276537750882

FORFEITURE ALLEGATION

As a result of the offenses charged in Counts One thru Thirty Two herein, which are re-alleged and incorporated by reference for the purpose of averring forfeitures to the United States of America pursuant to the provisions of Title 18 United States Code, Sections 982, and 2323(b), shall, upon conviction of such offenses charged shall forfeit to the United States all property, real and personal, involved in the offense(s), and all property traceable to such property, wherever located, and in whatever name held, which property includes, but is not limited to, U.S. currency in the total amount of ONE MILLION THREE HUNDRED THOUSAND Dollars (\$1,300,000.00).

In the event that any property described above as being subject to forfeiture, as a result of any act or omission by the defendant(s):

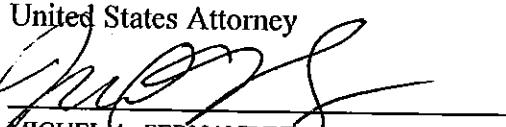
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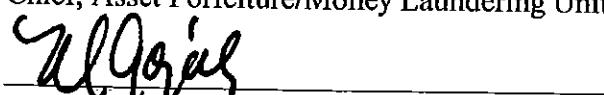
- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to or deposited with a third person;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant's up to the value of the above-described property. Forfeiture of any other property of said defendant up to the value of the above-described property, including but not limited to:

- 1) 356 Lembeck Avenue, Jersey City, New Jersey; located in block 1262.2, lot 30, Account number 00505636, Bank Code 672; Map page 0709, Land Desc. 28 x 25X88.85;
Bldg Desc: 2S-F-D-2U-H-G2; Sale Date: 06/30/1999; Book: 5464' Page: 12. Registered owner Richard Palma.
- 2) 40 Clarke Avenue, Jersey City, New Jersey, 07304, Block 1770, lot 25.A; Account 00278374; Bank Code 660; Map page 0912, Land Desc: 16.46X95; Bldg Desc: 2S-F-2U-H;
Sale Date: 02/28/2002; Book: 5952, Page: 156. Registered owner, Richard Palma
- 3) 110 33rd Street # 1-4 Union City, New Jersey, Block: 201, Lot: 3; Acct Num: 484700
Land Desc: 10.478-694 SFBldg Desc: 2BR; Sale Date: 08/18/2006; Book: 7996; Page: 62.
Registered owner, Richard Palma.

ROSA EMILIA RODRÍGUEZ-VÉLEZ
United States Attorney


MIGUEL A. FERNANDEZ
Assistant United States Attorney
Chief, Asset Forfeiture/Money Laundering Unit


MARITZA GONZÁLEZ-RIVERA
Assistant United States Attorney

Date: _____


Date: September 8, 2010

Date: _____